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UNITED STATES DEPARTMENT OF AGRICULTURE  
AGRICULTURAL ADJUSTMENT ADMINISTRATION  
WASHINGTON, D. C.

October 5, 1937

Dear Committeeman:

Now that the general provisions of the 1938 agricultural conservation program have been decided upon, many committeemen and other farmers are asking: "What effect will new farm legislation, if enacted, have on the Soil Conservation and Domestic Allotment Act and the agricultural conservation program for which it provides?"

This question has arisen as a result of the joint resolution adopted by Congress to enact legislation for a permanent farm program as soon as possible after returning to Washington. This resolution was adopted August 21, near the close of the session.

In this resolution, the fundamental principles basic to permanent farm legislation were set forth, and it was agreed that legislation carrying out these principles "will be first to engage the attention of the Congress upon its reconvening, and that it is the sense of the Congress that a permanent farm program based upon these principles should be enacted as soon as possible after Congress reconvenes."

The complete text is as follows:

JOINT RESOLUTION expressing the views of the Congress as to a program for the relief and benefit of agriculture.

Whereas the whole Nation suffers when agriculture is depressed; and

Whereas the Nation has felt and still feels the unfavorable economic consequences of two different kinds of misfortune in agriculture; and

Whereas the first of these misfortunes was the ruinous decline in farm prices from 1929 to 1932; and

Whereas the second kind of misfortune was the drought of 1934 followed by the drought of 1936; and

Whereas a permanent farm program should (a) provide not only for soil conservation but also for developing and improving the crop-adjustment methods of the Agricultural Adjustment Act, (b) protect agriculture and consumers against the consequences of drought, and (c) safeguard farmers and the business of the Nation against the consequences of farm-price decline; and

Whereas it is the sense of Congress that the permanent farm legislation should be based upon the following fundamental principles:

(1) That farmers are entitled to their fair share of the national income;



(2) That consumers should be afforded protection against the consequences of drought, floods, and pestilences causing abnormally high prices by storage of reserve supplies of big-crop years for use in time of crop failure;

(3) That if consumers are given the protection of such an ever-normal granary plan, farmers should be safeguarded against undue price declines by a system of loans supplementing their national soil-conservation program; and

(4) That control of agricultural surpluses above the ever-normal granary supply is necessary to safeguard the Nation's investment in loans and to protect farmers against a price collapse due to bumper yields resulting in production beyond all domestic and foreign need;

(5) That the present Soil Conservation Act should be continued, its operations simplified, and provision made for reduced payments to large operators on a graduated scale to promote the interest of individual farming;

(6) That, linked with control of agricultural surpluses, there should be research into new uses for agricultural commodities and the products thereof and search for new uses, new outlets, and new markets, at home and abroad;

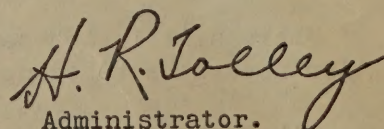
(7) That provision should be made for applications to the Interstate Commerce Commission for correction of discriminations now existing against agricultural products in the freight-rate schedules;

Now, therefore, be it

RESOLVED BY THE SENATE AND HOUSE OF REPRESENTATIVES OF THE UNITED STATES OF AMERICA IN CONGRESS ASSEMBLED, That abundant production of farm products should be a blessing and not a curse, and therefore legislation carrying out the foregoing principles will be first to engage the attention of the Congress upon its reconvening, and that it is the sense of the Congress that a permanent farm program based upon these principles should be enacted as soon as possible after Congress reconvenes.

Special effort has been made to work out the 1938 conservation program so that it will be in harmony with the resolution. Legislation along the lines contemplated in the resolution would strengthen the 1938 conservation program. It would help farmers hold the gains they have made since 1933. It would be another step toward balanced farming and greater security.

Sincerely yours,

  
Administrator.